



*United States Attorney  
Southern District of New York*

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CONTACT: U.S. ATTORNEY'S OFFICE  
HERBERT HADAD, MEGAN GAFFNEY,  
HEATHER TASKER, BRIDGET KELLY  
PUBLIC INFORMATION OFFICE  
(212) 637-2600

**FREELANCE GRAPHIC DESIGNER PLEADS GUILTY IN FEDERAL  
COURT TO BRIBING EMPLOYEE OF N.Y.C. HEALTH AND  
HOSPITALS CORPORATION IN \$3 MILLION FRAUD SCHEME**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that DONALD CHABUS, 58, of Baldwin, New York, a freelance graphic design contractor employed by the New York City Health and Hospitals Corporation ("NYCHHC") from 1999 through 2004, pleaded guilty yesterday in White Plains federal court to conspiring to defraud the NYCHHC, and to bribing an employee of the NYCHHC, in connection with a fraudulent invoice scheme.

CHABUS admitted, during his guilty plea before United States Magistrate Judge GEORGE A. YANTHIS, that from approximately September 1999 through June 2004, he paid Ronald Maiorana, a supervisory employee of the NYCHHC, approximately \$700,000 in bribes to obtain Maiorana's approval of false invoices CHABUS caused to be submitted to NYCHHC by various graphic printing companies.

On July 6, 2005, Ronald Maiorana pleaded guilty before Magistrate Judge GEORGE A. YANTHIS to conspiracy, mail fraud and theft charges. Maiorana admitted that he conspired with DONALD CHABUS to permit a number of printing companies to submit invoices that falsely indicated that they had performed printing services, and that he accepted more than \$700,000 in cash payments from CHABUS in exchange for approving the fraudulent invoices and concealing the scheme.

At the plea proceeding, the Government advised the Court that the Government's evidence included bank records establishing that CHABUS received at least \$3.2 million from the printers as a result of the fraudulent invoicing scheme.

CHABUS faces a maximum of five years in prison on the

conspiracy charge and a maximum of ten years on the bribery charge. In addition, CHABUS faces a fine on each count of \$250,000 or twice the gross gain or loss caused by his crimes. CHABUS will also be required to pay restitution to the NYCHHC for the loss caused by the fraud.

Mr. GARCIA praised the efforts of the Federal Bureau of Investigation and thanked the Dutchess County Sheriff's Office for its assistance in the investigation of this case.

Assistant United States Attorneys MARCIA S. COHEN and PERRY CARBONE are in charge of the prosecution.

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